

**REQUEST FOR COUNCIL ACTION**

MEETING

DATE: 04/21/03

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**AGENDA SECTION:**  
Consent Agenda**ORIGINATING DEPT:**  
Public Works**ITEM NO.**

D-31

**ITEM DESCRIPTION:** Alley Reconstruction Rate Adjustment**PREPARED BY:** *on*  
*pk* M. Nigbur *mg*

Over the years Owner's of property have been responsible for a portion of the cost for the construction of the abutting public improvements. This same policy applies to Alleys abutting the Owner's property. There have been limited requests for Alley reconstruction in recent years and therefore the rates, previously established, have not been critically reviewed.

However, after the last Alley project performed by the City in 2000, we found that the City is paying an unusually high percentage of the cost for the Alley improvements. Improvements which provide a greater benefit to the Owners rather than the general public. As such the Public Works Department would recommend increasing the rate for Alley reconstruction on both Residential and Commercial properties to a point whereby the City would recapture approximately 75% of the Alley costs.

Based on the estimated current construction costs for commercial Alleys, consisting of concrete surfacing, the costs equals \$160.00 per centerline foot. This cost would equate to an assessment rate for commercial properties of \$60.00 per front foot along the alley. The estimated construction cost for residential bituminous Alleys of \$54.00 per centerline foot would yield an assessment rate of \$20.25.

Staff would recommend that the City Council adopt the following rates in anticipation of several forthcoming Alley projects.

Commercial Alley Reconstruction Rate	\$60.00 per front foot.
Residential Alley Reconstruction Rate	\$20.25 per front foot.

Staff would also recommend these rates be adjusted annually, along with other City rates, on August 1, of each year based on the Engineering News Record Cost of Construction Index for Minneapolis. The first adjustment is scheduled to be on 8/1/03 for projects occurring in 2004

**COUNCIL ACTION REQUESTED:**

Adopt a resolution authorizing the new rates for Alley Reconstruction as noted above with the annual ENR adjustments.

**COUNCIL ACTION:** Motion by: \_\_\_\_\_ Second by: \_\_\_\_\_ to: \_\_\_\_\_

